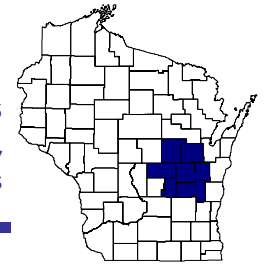


WORKFORCE OBSERVATIONS

for the Fox Valley WDA counties
Calumet, Fond du Lac, Green Lake, Outagamie, Waupaca, Waushara,
and Winnebago Counties



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⇒ 2005 Fox Valley WDA Population Estimates

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⇒ Fox Valley WDA unemployment rates continue lower trend annually

Final Population Estimates released for 2005

Final 2005 population figures tabulated by the Wisconsin Department of Administration have recently been released and they continue to show vibrant residential growth in the Bay Area WDA and Fox Valley WDA counties. The 17 counties, combined, have added over 53,300 more residents since the 2000 Census for a faster than state-average growth rate of 4.6 percent.

The Bay Area WDA, the larger of the two regions totaling almost 626,000 residents whom are spread over 10 counties, grew 4.4 percent over the last five years. The Fox Valley WDA, at approximately 577,000 inhabitants, grew a bit faster, 4.9 percent, adding 27,000 more residents. The Fox Valley WDA, though less populous than the Bay Area WDA, added just over 1,000 more residents than the Bay Area since the 2000 Census.

The population along the U.S. Highway 41 corridor, from Fond du Lac County and continuing all the way to Green Bay, is growing quickly sprouting new housing development and businesses establishments in support of the growing residential base. The smaller cities and towns along this route are taking on characteristics of

'exburbs', which resemble much larger central city and suburban areas, yet are not so dependent upon a single economic hub, but rather multiple labor markets in multiple directions. It is likely that as residential growth pushes outward of the regions' central cities, these smaller exurban communities will grow the fastest. In general, it

would not be surprising that within the next five to 15 years that the Appleton MSA, the Oshkosh-Neenah MSA and the Green Bay MSA become a single, large metropolitan area.

This feature examines both the Fox Valley and Bay Area WDA together because of their shared population dynamics and economic integration. While one may be hard pressed to find many Fond du Lac

residents commuting seven counties north into Florence County for work, the metropolitan counties in both WDAs are experiencing a greater degree of interdependence between their labor markets.

Eight of the 17 counties in these two regions are deemed 'metropolitan' and when combined, these eight counties compose 71 percent of the aggregate regional population. Not all of these metro counties are quintessentially urban or suburban

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WDA	County	Census 2000 Population	July 1, 2005 Population Estimate	# Change	% Change
Bay Area	Brown	226,658	240,404	13,746	6.1%
Fox Valley	Outagamie	161,091	170,680	9,589	6.0%
Fox Valley	Winnebago	156,763	163,244	6,481	4.1%
Bay Area	Sheboygan	112,656	116,075	3,419	3.0%
Fox Valley	Fond du Lac	97,296	100,180	2,884	3.0%
Bay Area	Manitowoc	82,893	84,480	1,587	1.9%
Fox Valley	Waupaca	51,825	53,351	1,526	2.9%
Bay Area	Marinette	43,384	44,471	1,087	2.5%
Bay Area	Shawano	40,664	42,029	1,365	3.4%
Fox Valley	Calumet	40,631	45,168	4,537	11.2%
Bay Area	Oconto	35,652	38,243	2,591	7.3%
Bay Area	Door	27,961	29,299	1,338	4.8%
Fox Valley	Waushara	23,066	24,918	1,852	8.0%
Bay Area	Kewaunee	20,187	21,082	895	4.4%
Fox Valley	Green Lake	19,105	19,375	270	1.4%
Bay Area	Florence	5,088	5,213	125	2.5%
Bay Area	Menominee	4,562	4,616	54	1.2%
Total		1,149,482	1,202,828	53,346	4.6%
Wisconsin		5,363,715	5,580,757	217,042	4.0%

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Local/State/National Quarterly Unemployment Rates

(Continued from page 1)

	Third Quarter 2005 Average Labor Force			
	Total Labor Force	Number Employed	Number Unemployed	Unemploy. Rate
Calumet County	25,700	24,700	1,000	3.8%
Fond du Lac County	58,100	55,700	2,400	4.1%
Green Lake County	10,700	10,300	500	4.3%
Outagamie County	96,400	92,600	3,900	4.0%
Waupaca County	28,300	27,000	1,300	4.5%
Waushara County	12,800	12,200	500	4.2%
Winnebago County	94,100	90,300	3,800	4.0%
Appleton, WI MSA	122,100	117,300	4,800	4.0%
Fox Valley WDA	326,000	312,800	13,300	4.1%
Appleton City	40,700	38,600	2,100	5.1%
Fond Du Lac City	24,200	23,000	1,200	4.9%
Neenah City	23,200	22,500	700	3.2%
Oshkosh City	36,600	34,900	1,700	4.6%
Wisconsin	3,062,400	2,931,600	130,800	4.3%
United States	150,476,300	143,001,300	7,475,000	5.0%
Change Compared to Previous Quarter				
Calumet County	200	300	-100	-0.4%
Fond du Lac County	200	400	-200	-0.4%
Green Lake County	0	100	-100	-1.1%
Outagamie County	600	1,000	-500	-0.5%
Waupaca County	-100	100	-200	-0.7%
Waushara County	100	200	-100	-0.8%
Winnebago County	800	1,200	-500	-0.5%
Appleton, WI MSA	700	1,300	-500	-0.5%
Fox Valley WDA	1,700	3,300	-1,600	-0.5%
Appleton City	240	420	-180	-0.5%
Fond Du Lac City	100	180	-80	-0.3%
Neenah City	230	310	-80	-0.4%
Oshkosh City	290	480	-180	-0.5%
Wisconsin	10,000	22,800	-12,800	-0.4%
United States	1,316,700	1,339,300	-22,300	-0.1%
Change Compared to Same Quarter, Previous Year				
Calumet County	-100	-100	100	0.3%
Fond du Lac County	-100	-100	0	-0.1%
Green Lake County	-200	-200	0	-0.1%
Outagamie County	-700	-500	-200	-0.2%
Waupaca County	-400	-500	100	0.3%
Waushara County	0	100	-100	-0.6%
Winnebago County	800	900	-100	-0.1%
Appleton, WI MSA	-800	-700	-100	-0.1%
Fox Valley WDA	-700	-400	-300	-0.1%
Appleton City	-400	-210	-190	-0.4%
Fond Du Lac City	-70	-20	-50	-0.2%
Neenah City	180	210	-40	-0.2%
Oshkosh City	340	330	10	0.0%
Wisconsin	-27,100	-19,300	-7,900	-0.2%
United States	2,286,700	2,812,300	-526,000	-0.4%

types. For example, Kewaunee, Oconto and Calumet counties range from approximately 20,000 to 40,000 in total population, which is smaller than some of the cities in these two workforce development areas. Geographically speaking, 82 percent of the aggregate population growth occurred in these eight metro counties, which is disproportionately high growth considering that 71 percent of the total residential base lives in these eight counties. But this is not necessarily surprising either as metro counties, while almost always larger than average in population, have been growing faster for a number of years, particularly in the Fox Valley region.

The nine non-metropolitan counties gained a net total of 9,200 residents for 3.1 percent growth. This is slower than the regional and statewide population growth rates.

The largest county within the two regions is Brown County at almost one-quarter million in population. The two most sparsely populated counties are Menominee and Florence Counties at 4,600 and 5,100 residents, respectively. Coincidentally, all three of these counties are in the Bay Area WDA. As for the Fox Valley, Outagamie and Winnebago are virtually neck and neck in population with 170,000 and 163,000 residents, respectively. Green Bay gets a great deal of attention for being the third largest city in the state, but the close proximity of Oshkosh, Appleton and Neenah to one another make for an even larger municipal base despite the fact that all three are separate civil jurisdictions.

The fastest growing county in the Fox Valley WDA over the last five years is Calumet County at a whopping 11.2 percent growth (+4,500 residents). The slowest growing Fox Valley county is Green Lake growing 1.4 percent and adding 270 residents between 2000 and 2005. The single Appleton-Oshkosh-Neenah MSA has morphed into two distinct metro areas. The Appleton MSA consists of Calumet and Outagamie Counties, while the Oshkosh-Neenah MSA is Winnebago County, alone. This indicates that there is a critical commuting dynamic between Calumet workers and Outagamie job availability. Winnebago County is a bit more isolated in this dynamic, but by no means is it less a part of regional economic picture. It is a job-rich county.

Source: DWD Office of Economic Advisors analysis of data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. Data are not seasonally adjusted and are preliminary. Figures are rounded and may not sum to total. Fond du Lac County is often referred to as the Fond du Lac MSA. Winnebago County is often referred to as the Oshkosh-Neenah MSA. The Appleton MSA consists of Outagamie and Calumet counties.

Local/State/National Quarterly Industry Employment

	Avg Quarterly Number of Jobs by Industry Sector								
	United States	Wisconsin	Appleton MSA	Fond du Lac MSA	Oshkosh-Neenah MSA	Green Lake County	Waupaca County	Waushara County	Fox Valley WDA
	Q3-2005	Q3-2005	Q3-2005	Q3-2005	Q3-2005	Q3-2005	Q3-2005	Q3-2005	Q3-2005
All Industries	133,900,200	2,849,100	117,700	49,800	93,700	7,650	21,280	6,340	296,500
Construction/Natural Resources	8,190,000	146,900	9,200	3,300	4,100	560	1,000	340	18,500
Manufacturing	14,310,300	508,400	25,200	11,000	23,700	1,430	5,020	960	67,300
Total Trade	20,946,700	433,500	20,500	7,900	12,600	1,020	3,070	910	46,000
Wholesale Trade	5,755,300	118,300	4,200	1,700	2,900	xx	xx	xx	xx
Retail Trade	15,191,400	315,200	16,400	6,300	9,700	xx	xx	xx	xx
Transport/Warehouse/Utilities	4,936,800	108,000	3,500	1,700	3,400	310	490	310	9,700
Financial Activities	8,288,700	159,600	6,400	1,800	3,800	300	660	230	13,300
Education and Health Services	17,154,300	380,600	11,800	7,000	10,400	1,100	2,850	750	33,900
Leisure and Hospitality	13,264,000	273,600	11,600	4,700	6,700	920	2,260	810	27,000
Info./Prof./Bus.and Other Services	25,812,300	448,900	19,000	6,900	17,500	1,090	2,300	640	47,500
Information	3,157,700	50,100	2,100	1,100	1,500	xx	xx	xx	xx
Professional and Business Services	17,152,300	262,700	11,200	2,900	11,500	xx	xx	xx	xx
Other Services	5,502,300	136,100	5,800	2,900	4,600	xx	xx	xx	xx
Fed/State/Local Government	20,997,000	389,700	10,500	5,400	11,600	930	3,630	1,390	33,500
Change in Avg. # of Jobs Compared to Previous Quarter									
All Industries	-168,800	8,700	600	100	700	40	-150	20	1,300
Construction/Natural Resources	284,000	8,400	300	200	200	60	60	20	800
Manufacturing	5,300	6,000	800	100	400	-10	70	-20	1,300
Total Trade	120,100	3,400	400	200	800	10	10	10	1,400
Wholesale Trade	24,300	1,300	0	0	0	xx	xx	xx	xx
Retail Trade	95,800	2,100	400	100	700	xx	xx	xx	xx
Transport/Warehouse/Utilities	-5,200	-800	0	0	0	0	-10	10	0
Financial Activities	80,300	1,300	0	0	0	0	0	0	0
Education and Health Services	-167,000	-1,700	-100	200	0	20	10	10	0
Leisure and Hospitality	284,700	13,600	200	0	100	80	120	70	500
Info./Prof./Bus.and Other Services	234,700	9,000	200	100	600	20	-10	20	900
Information	5,000	-700	0	0	-100	xx	xx	xx	xx
Professional and Business Services	228,000	9,500	200	100	600	xx	xx	xx	xx
Other Services	1,700	200	0	0	100	xx	xx	xx	xx
Fed/State/Local Government	-1,005,700	-30,500	-1,100	-500	-1,300	-130	-410	-90	-3,500
Change in Avg. # of Jobs Compared to Same Quarter in 2004									
All Industries	2,257,900	18,900	500	800	2,300	-100	-90	160	3,500
Construction/Natural Resources	314,300	5,300	100	300	0	10	0	10	400
Manufacturing	-102,700	-700	-100	100	500	-30	-10	80	600
Total Trade	264,800	-900	800	200	1,500	-10	20	10	2,600
Wholesale Trade	71,400	2,600	100	100	100	xx	xx	xx	xx
Retail Trade	193,400	-3,400	800	200	1,400	xx	xx	xx	xx
Transport/Warehouse/Utilities	103,800	400	-200	0	0	0	-10	10	-300
Financial Activities	180,700	1,300	-300	0	0	10	0	0	-300
Education and Health Services	419,300	4,700	0	500	200	0	10	-10	800
Leisure and Hospitality	302,700	4,000	800	0	-300	-50	20	30	500
Info./Prof./Bus.and Other Services	569,000	5,800	-400	-100	500	30	-60	10	-100
Information	14,300	200	0	0	-100	xx	xx	xx	xx
Professional and Business Services	519,000	5,800	-200	0	700	xx	xx	xx	xx
Other Services	35,700	-300	-200	-100	-100	xx	xx	xx	xx
Fed/State/Local Government	206,000	-1,000	-200	-300	-100	-60	-70	30	-700

Source: DWD Office of Economic Advisors analysis of Current Employment Statistics (CES) data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. These not seasonally adjusted, preliminary figures are rounded and may not sum to the all industries total. The Appleton MSA consists of Calumet and Outagamie Counties. The Fond du Lac MSA is Fond Du Lac county. The Oshkosh-Neenah MSA is Winnebago County.

Fox Valley WDA -Third Quarter 2005 (July, August, and September)

Labor Force

The third quarter unemployment rate for the Fox Valley WDA was 4.1 percent. Its labor force averaged a total of about 326,000 participants—312,800 employed and 13,300 unemployed. The unemployment rates of all seven regional counties hovered around the regional mark with Calumet having the lowest in Q3 at 3.8 percent and Waupaca County registering the highest rate at 4.5 percent. The City of Appleton had the region's highest municipal unemployment rate at 5.1 percent.

The months in the third quarter typically demonstrate some of the calendar year's most robust labor markets usually maintaining the highest employment numbers that accelerated in the second quarter. The number of workers available and looking for work increased complementing the increased business demand for workers, especially by those businesses in tourism-related industries. The Q2 and Q3 expansion of the labor force typically brings about a drop in the unemployment rate. The Fox Valley's rate dropped by five-tenths of a percentage point compared to the Q2 average of 4.6%. Every regional county's rate dropped in Q3 with Green Lake County's rate dropping the most (-1.1 percent point) and Calumet and Fond du Lac counties' dropping the least (-0.4 percentage point). There were over 3,300 more employed and about 1,600 fewer unemployed for an overall net gain of about 1,700 labor force participants compared to the previous quarter. The third quarter and the first month of Q4, October, typically have the lowest unemployment rates of the calendar year.

From a historical perspective, the Fox Valley unemployment rate is still a bit higher than average, probably higher by one percent point or so, though it should be noted that this region has always had among the state's lowest unemployment rates and still does. Its current rate is lower than what it was in Q3/2004 by one-tenth of a percentage point. This annual reduction in the rate continues the trend that most of Wisconsin is experiencing; that is, lower unemployment rates on an annual basis after experiencing considerably high rates between 2001-2003. At this time, there is only a slight annual decrease in the rate and it is unlikely to get much lower (or higher) outside of the typical seasonal expectations. Waushara County shows the biggest annual decrease in its rate (-0.6 percent point) and Fond du Lac, Green Lake and Winnebago counties each dropped the least (-0.1 percent point). Also, Winnebago County was the only county in the Fox Valley to show an annual expansion in its labor force. It posted a net gain of 800 participants compared to Q3/2004. This gain was comprised of 900 more employed and 100 fewer unemployed residents.

Industry Employment

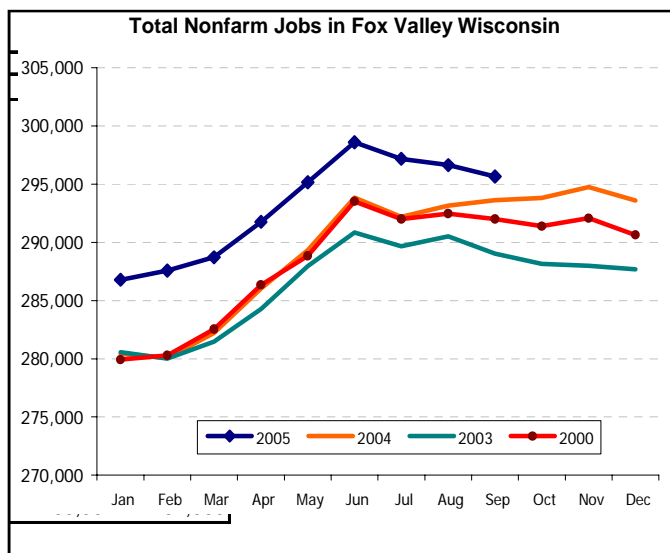
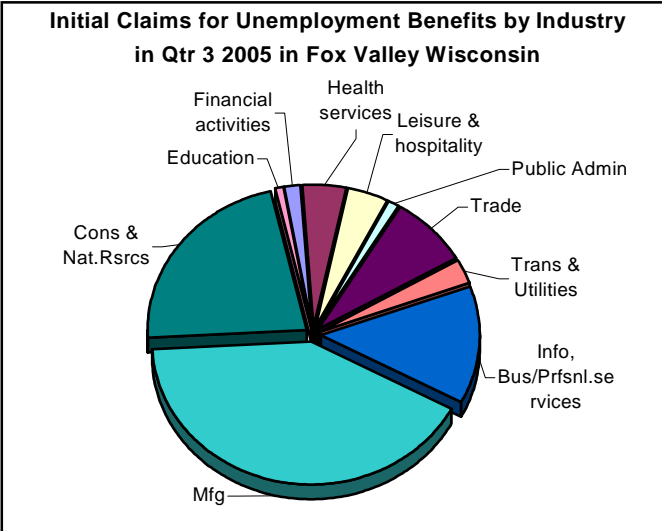
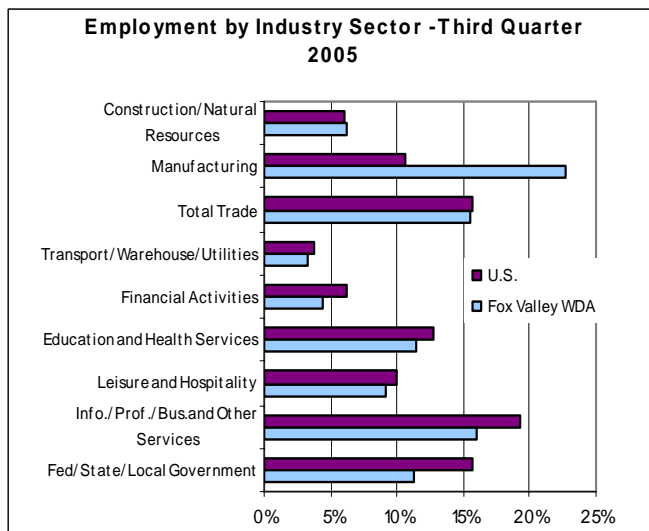
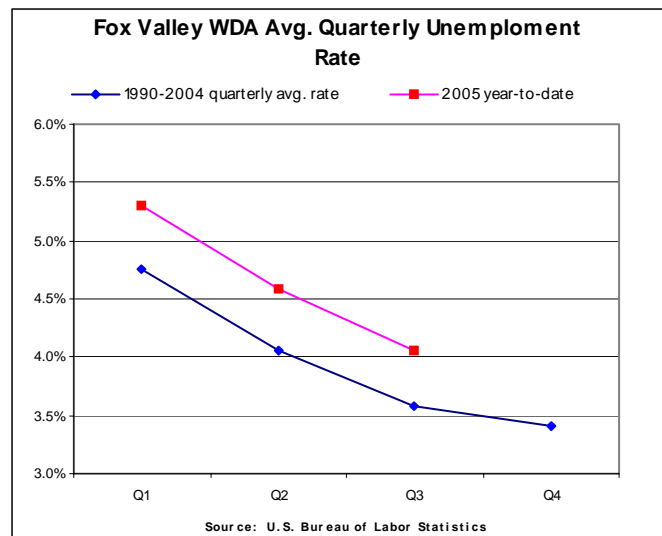
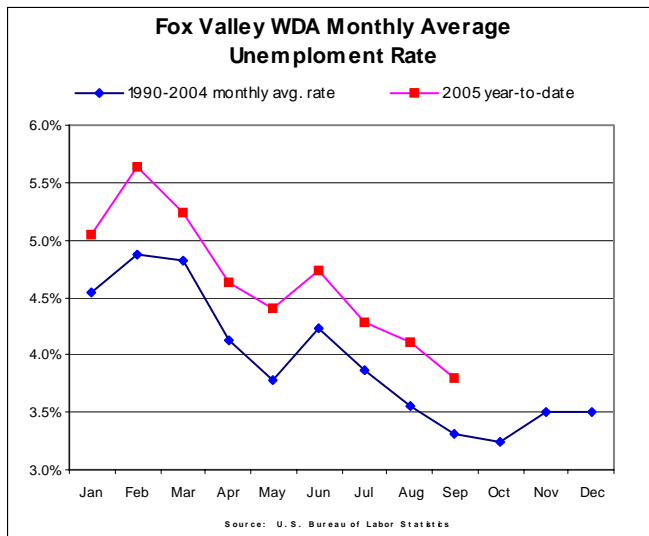
There were an estimated 296,500 third quarter jobs in the region according to the nonfarm wage and salary employment survey estimates. Third quarter job levels are typically among the year's highest as they maintain the peaks reached at the tail end of the second quarter. The Fox Valley WDA estimates show a net increase of 1,300 jobs compared to Q2. This is a healthy and rather expected increase.

The quarterly jobs increase was bolstered by gains in virtually every job sector with the lone significant exception of government employment. The two goods-producing sectors, manufacturing and construction, gained 1,300 and 800 jobs, respectively. Total trade gained 1,400 jobs. Government employment reduced by 3,500 jobs over the quarter. This decrease was centered on an expected, seasonal reduction in faculty and staff in public education institutions for summer break, which includes every public education establishment from elementary schools to universities. Leisure and hospitality and education and health services posted notable gains in the third quarter. The education and health services sector is mainly comprised of privately owned schools and healthcare establishments. The majority of this sector's employment is in the health services portion, and thus, the quarterly gain was also likely weighted towards health services because private educational institutions likely decreased employment in the third quarter.

From an annual perspective, the region's job growth was healthy. The WDA gained 3,500 jobs on a net basis compared to Q3/2004; a growth rate of 1.2 percent. There were two counties in the region that did not post annual job growth: Green Lake and Waupaca counties. In proportional terms, Waushara County grew the fastest (+2.6%), while Green Lake County decreased by 1.3 percent. The Oshkosh-Neenah MSA posted the largest numeric job growth with 2,300 more jobs compared to Q3/2004.

While the quarterly growth perspective helps to smooth monthly fluctuations, the annual perspective may likely be an even better judge of the labor market. The leading growth industries, annually, in the Fox Valley have been retail trade; and education and health services employment, which is no new phenomenon. The manufacturing sector also posted an encouraging gain of 600 jobs. Total government employment showed the largest annual sector employment loss, -700 jobs. Financial activities and information, professional, business and other services have each decreased by 300 jobs. The majority of the employment losses in both of these sectors occurred in the Appleton MSA (Outagamie and Calumet counties).

The Fox Valley Workforce Album



	Change over previous quarter				over yr
	Qtr 1 2005	Qtr 2 2005	Qtr 3 2005*	Qtr 4 2005	Qtr 3 2004
Consumer Price Index - All items					
United States	0.6%	1.3%	1.2%		3.8%
Midwest cities (50,000-1.5 million pop.)	0.5%	1.2%	1.6%		4.2%
Midwest cities (less than 50,000 pop.)	1.0%	1.5%	1.7%		4.7%
Employment Cost Index					
Civilian total compensation	1.1%	0.6%	0.9%		3.1%
Private industry total compensation	1.1%	0.7%	0.6%		3.0%
Local & state govt. total compensation	0.9%	0.3%	1.8%		3.7%
Civilian wages	0.7%	0.5%	0.8%		2.3%
Private wages	0.7%	0.6%	0.7%		2.2%
Local & state government wages	0.6%	0.2%	1.3%		2.7%
Civilian benefits	2.2%	0.7%	1.1%		5.1%
Private industry benefits	2.3%	0.8%	0.7%		4.8%
Local & state government benefits	1.4%	0.5%	3.0%		6.1%

Source: US Bureau of Labor Statistics

* current quarter